

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

FORM APPROVED
OBM NO. 1004-0136
Expires: February 28, 1995

| | | | | |
|--|--|-----------------------------------|--|--|
| APPLICATION FOR PERMIT TO DRILL OR DEEPEN | | | 5. LEASE DESIGNATION AND SERIAL NO. U-0806 | |
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME UTE TRIBAL | |
| b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | | | 7. UNIT AGREEMENT NAME WONSITS VALLEY FEDERAL UNIT | |
| 2. NAME OF OPERATOR Shenandoah Energy Inc. | | | 8. FARM OR LEASE NAME, WELL NO. #4G-11-8-21 | |
| 3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341 11002 East 17500 South Fax: 435-781-4329 Vernal, Utah 84078 | | | 9. API WELL NO. | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 705' FWL, 693' FNL, NWNW At proposed prod. Zone Same 4444548 N 625397 E | | | 10. FIELD AND POOL, OR WILDCAT WONSITS VALLEY | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 11 miles West of Redwash Utah | | | 11. SEC., T., R., M., OR BLK AND SURVEY OR AREA SEC. 11, T8S, R21E SLB&M | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. Unit line if any) 693' ± | | 16. NO. OF ACRES IN LEASE 2480 | 17. NO. OF ACRES ASSIGNED TO THIS WELL 40 | |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 1800' ± | | 19. PROPOSED DEPTH 5800' | 20. ROTARY OR CABLE TOOLS Rotary | |
| 21. ELEVATIONS (Show whether OF, RT, GR, etc.) 4907.5' GR | | | 22. APPROX. DATE WORK WILL START* A.S.A.P | |
| 23. PROPOSED CASING AND CEMENTING PROGRAM REFER TO S.O.P | | | | |

Shenandoah Energy Inc. proposes to drill a well to 5800' to test the Green River. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Operations will be according to the Standard Operating Procedures for the Wonsits Valley Unit.

See Onshore Order No. 1 attached.

Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. 0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program if any.

24
SIGNED John Busch John Busch TITLE Red Wash Operations Representative DATE 8/15/00

(This space for Federal or State office use)

PERMIT NO. 43-047-33658 APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill BRADLEY G. HILL DATE 8/31/00
RECLAMATION SPECIALIST III

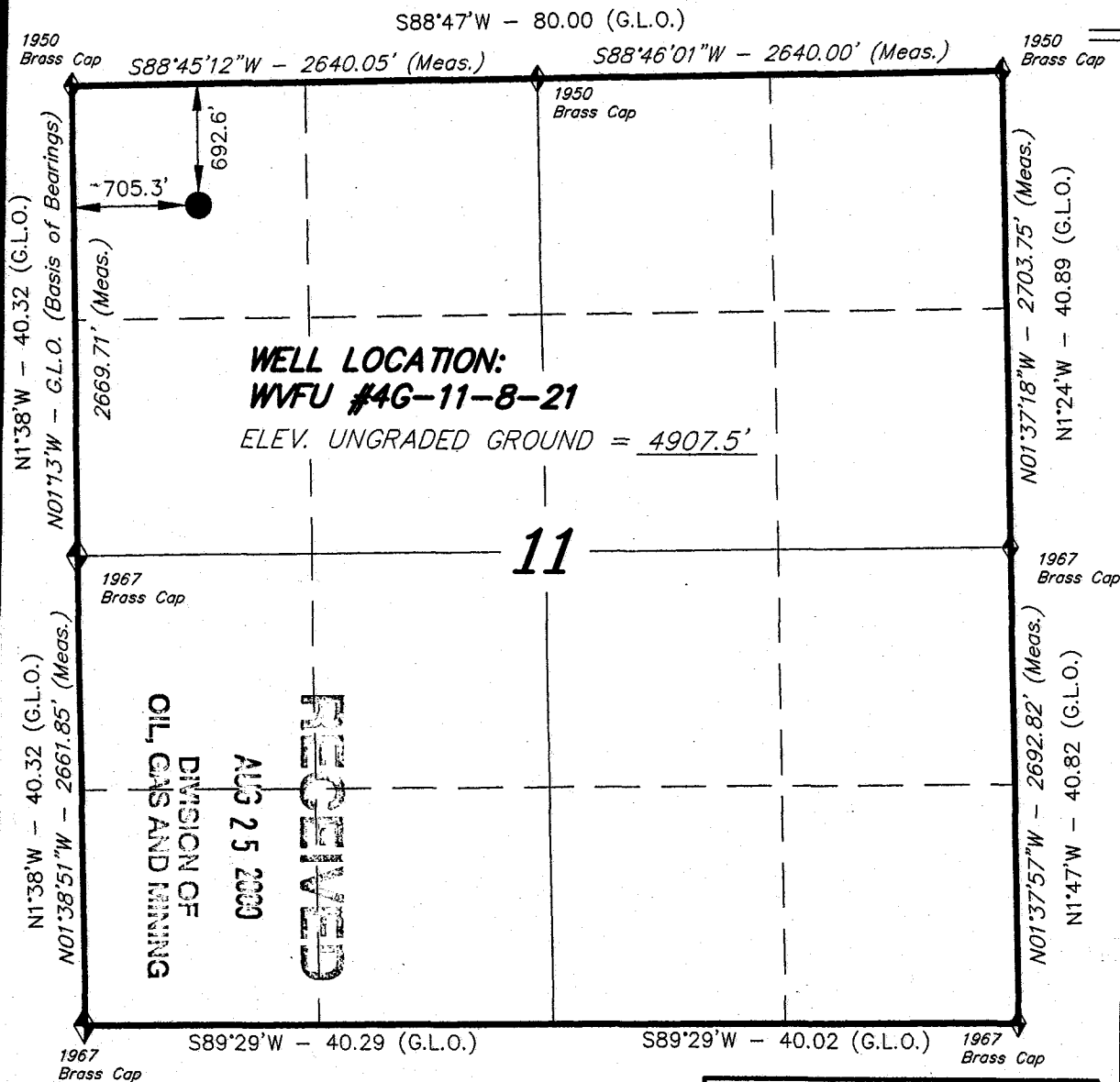
*See Instructions On Reverse Side

Federal Approval of this Action Is Necessary
U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED
AUG 25 2000
DIVISION OF
OIL, GAS AND MINING

T8S, R21E, S.L.B.&M.

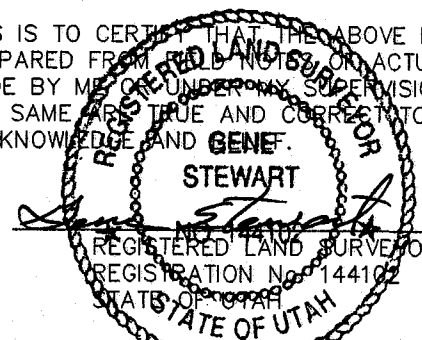
SHENANDOAH ENERGY, INC.



WELL LOCATION, WVFU #4G-11-8-21,
LOCATED AS SHOWN IN THE NW 1/4 NW
1/4 OF SECTION 11, T8S, R21E,
S.L.B.&M. UINTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM OLD NOTES OR ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.



◆ = SECTION CORNERS LOCATED
BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (RED WASH)

WVFU #4G-11-8-21
LATITUDE = 40° 08' 36.95"
LONGITUDE = 109° 31' 44.50"

TRI STATE LAND SURVEYING & CONSULTING
38 WEST 100 NORTH - VERNAL, UTAH 84078
(435) 781-2501

| | |
|-------------------|---------------------|
| SCALE: 1" = 1000' | SURVEYED BY: D.J.S. |
| DATE: 8-14-00 | WEATHER: HOT |
| DRAWN BY: J.R.S. | FILE # |

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

| <u>Formation</u> | <u>Depth</u> | <u>Prod. Phase Anticipated</u> |
|------------------|--------------|--------------------------------|
| Uinta | Surface | |
| Green River | 2604' | |
| Mahogany Ledge | 3724' | |
| Mesa | 5592' | |
| TD (Green River) | 5800' | Oil |

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| Oil/Gas | Green River | 5800' |

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 2400.0 psi.

4. Surface Ownership

The well pad and access road are located on lands owned by the Ute Tribe.

RECEIVED
AUG 25 2000
DIVISION OF
OIL, GAS AND MINING

MULTI-POINT SURFACE USE & OPERATIONS PLAN

SHENANDOAH ENERGY INC.
WONSITS VALLEY FEDERAL UNIT #4G-11-8-21
NWNW, SEC. 11, T8S, R21E, SLB&M
UINTAH COUNTY, UTAH

See attached maps

Topo map A- Access routes

Topo map B- Proposed Access road

Topo map C- Location of wells within a one mile radius

Topo map D- Proposed pipeline

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AUG 25 2000

**DIVISION OF
OIL, GAS AND MINING**

Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
Shenandoah Energy Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

John Busch

John Busch
Red Wash Operations Representative

August 15, 2000

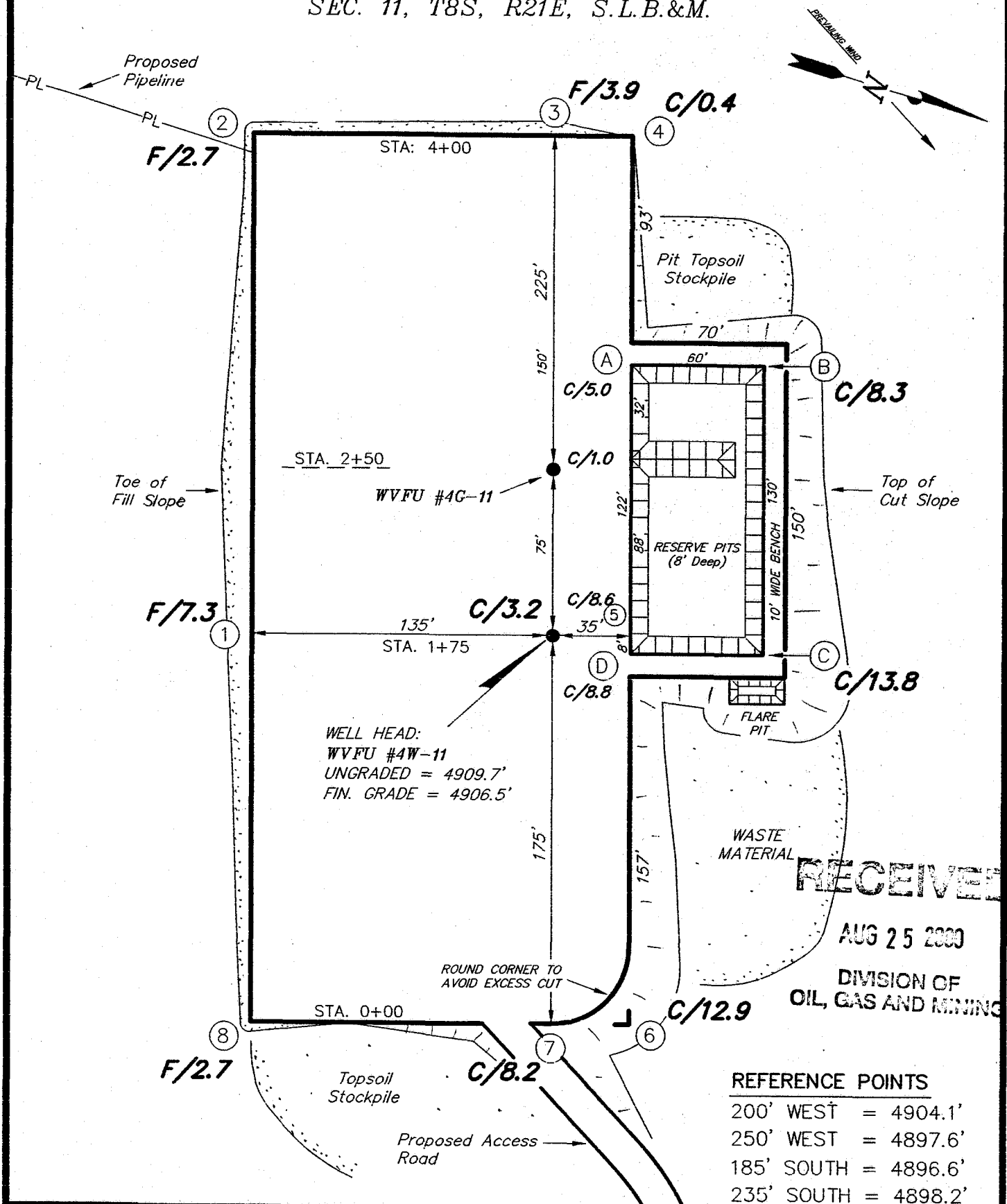
Date

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AUG 25 2000

DIVISION OF
OIL, GAS AND MINING

WVFU #4W & 4G-11-8-21
SEC. 11, T8S, R21E, S.L.B.&M.



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AUG 25 2000

DIVISION OF OIL, GAS AND MINING

REFERENCE POINTS

200' WEST = 4904.1'

250' WEST = 4897.6'

185' SOUTH = 4896.6'

235' SOUTH = 4898.2'

SURVEYED BY: D.J.S.

SCALE: $1'' = 60'$

DRAWN BY: J.R.S.

DATE: 8-14-00

Tri State
Land Surveying, Inc.

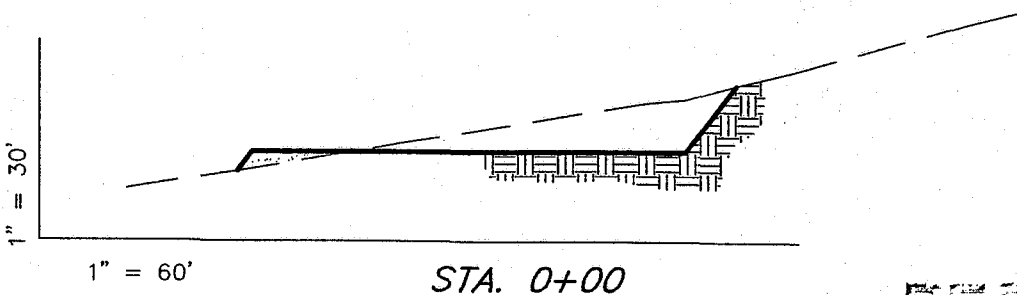
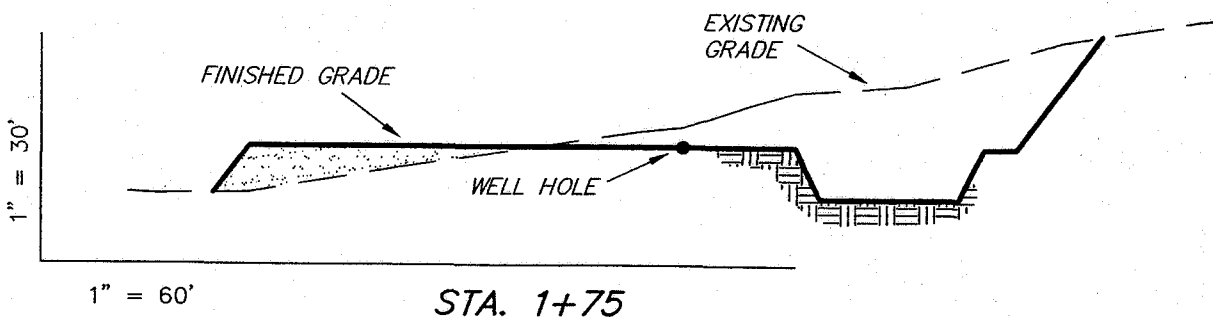
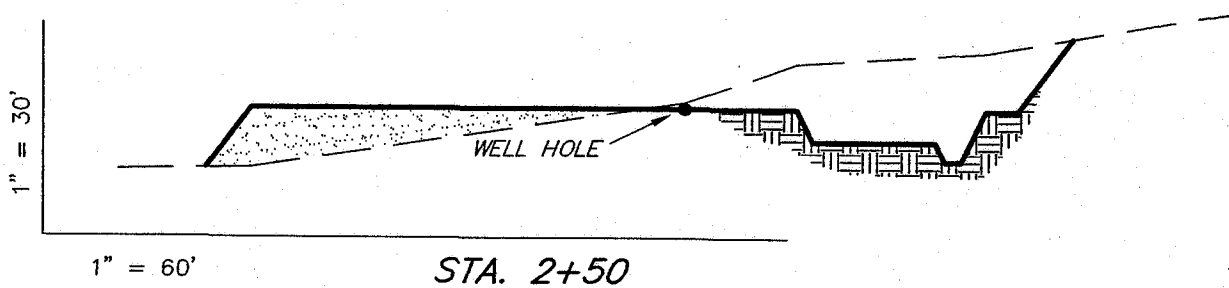
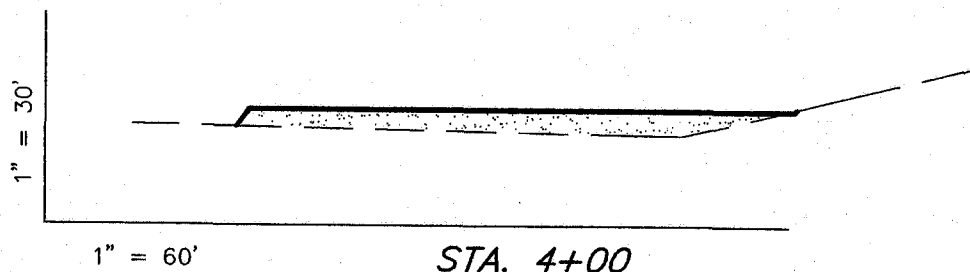
(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

SHENANDOAH ENERGY, INC.

CROSS SECTIONS

WVFU #4W & 4G-11-8-21



APPROXIMATE YARDAGES

CUT = 7,600 Cu. Yds.

FILL = 6,430 Cu. Yds.

PIT = 1,780 Cu. Yds.

6" TOPSOIL = 1,450 Cu. Yds.

RECEIVED

AUG 25 2000

DIVISION OF
OIL, GAS AND MINING

SURVEYED BY: D.J.S.

SCALE: 1" = 60'

DRAWN BY: J.R.S.

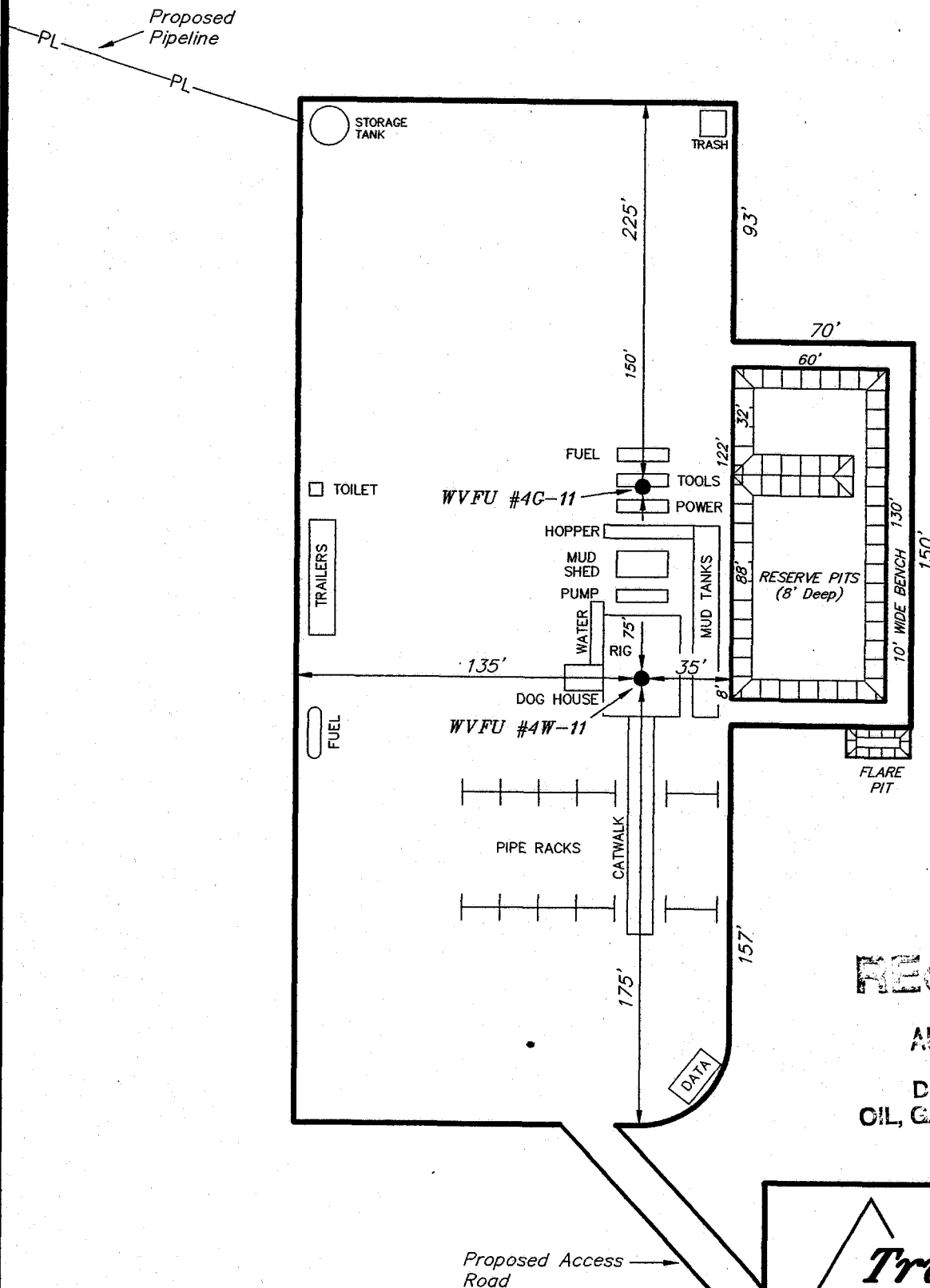
DATE: 8-14-00

Tri State
Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078
(435) 781-2501

SHENANDOAH ENERGY, INC.

TYPICAL RIG LAYOUT

WVFU #4W & 4G-11-8-21



RECEIVED

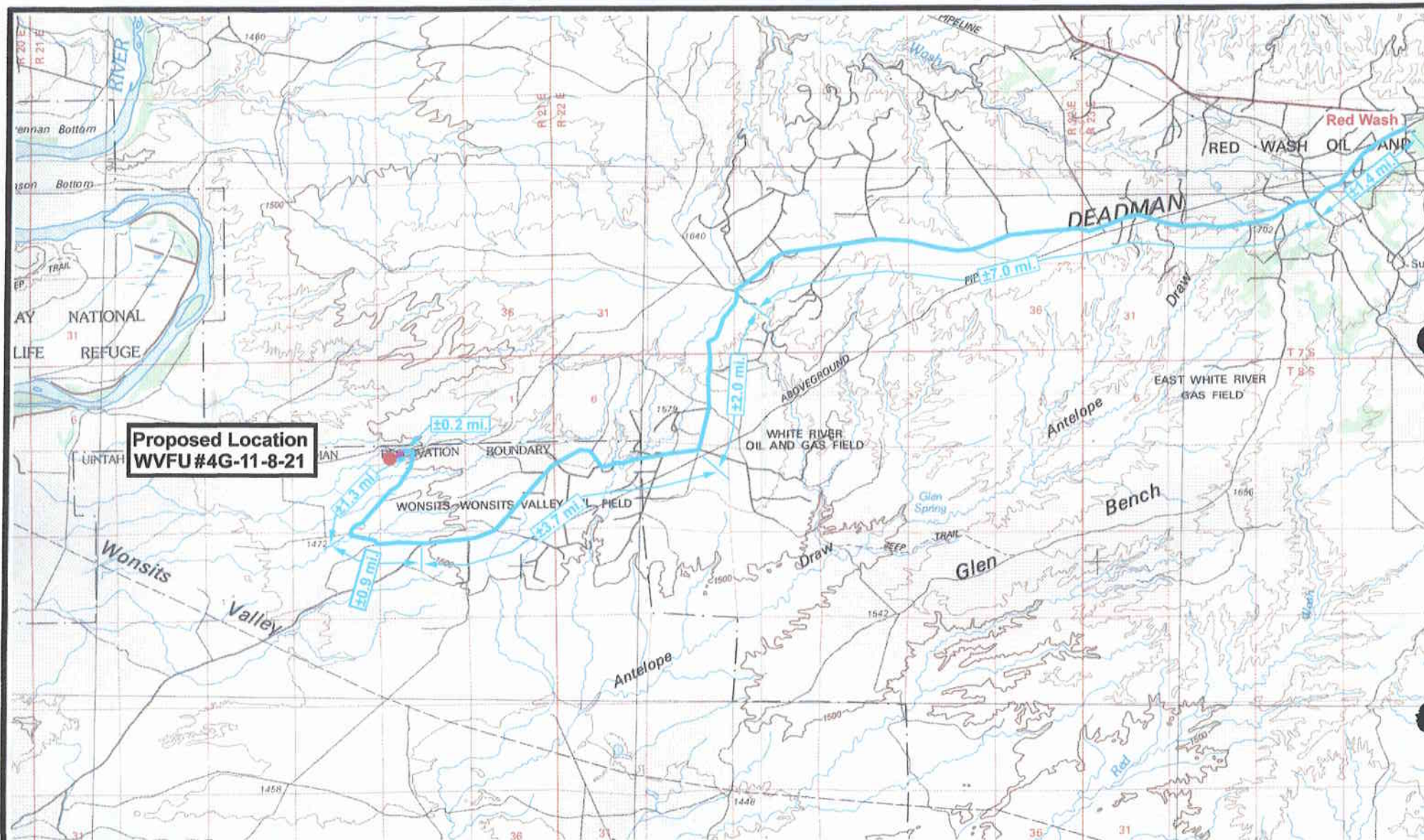
AUG 25 2000

DIVISION OF
OIL, GAS AND MINING

Tri State
Land Surveying, Inc.

(435) 781-2501

38 WEST 100 NORTH, VERNAL, UTAH 84078

**SHENANDOAH ENERGY INC.**

**WONSITS VALLEY FED. UNIT #4G-11-8-21
SEC. 11, T8S, R21E, S.L.B.&M.**

TOPOGRAPHIC MAP "A"



Drawn By: SS

Revision:

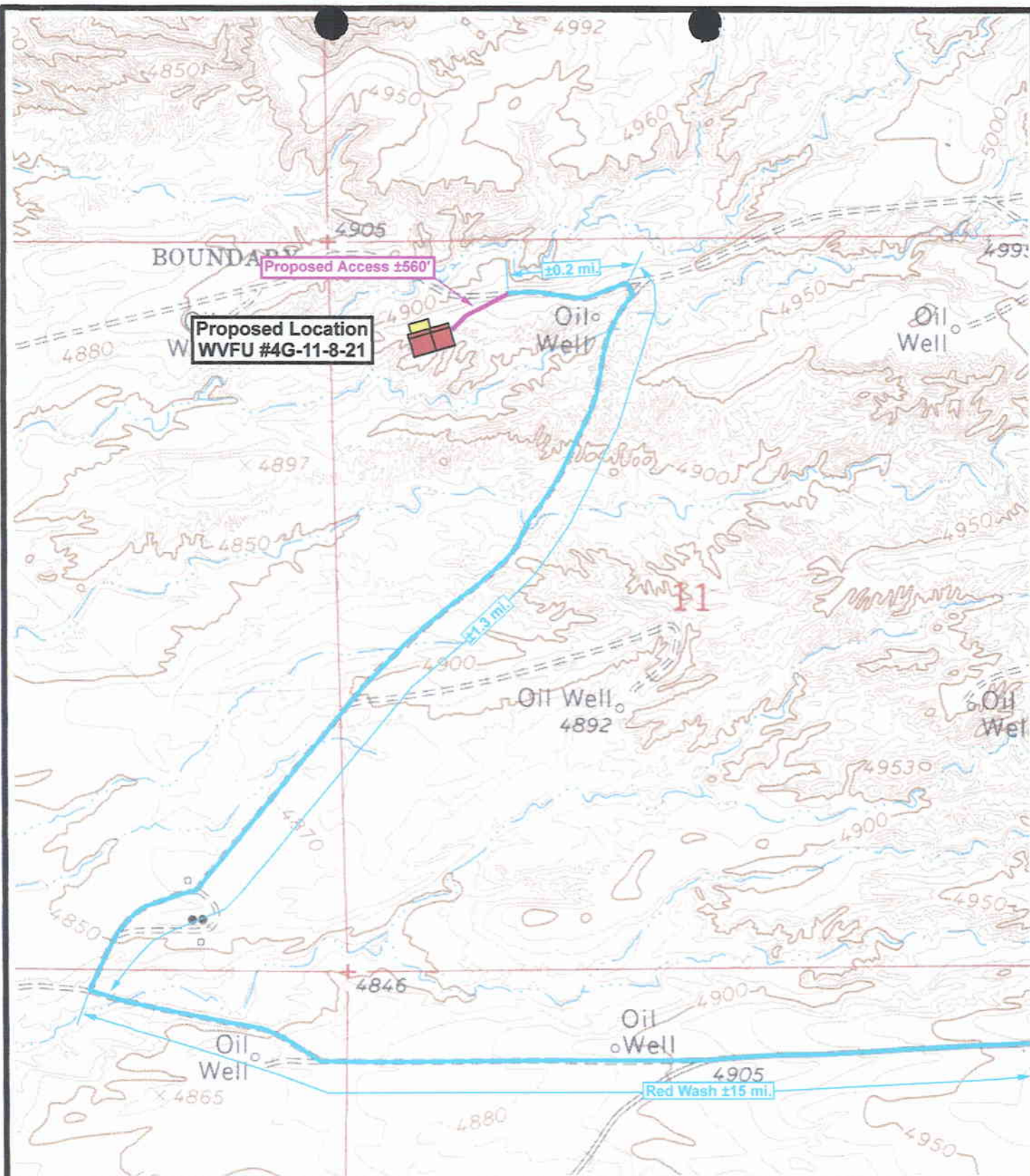
Scale: 1 : 100,000

File:

Date: 8-10-00

Tri-State Land Surveying Inc.
P.O. Box 533, Vernal, UT 84078
435-781-2501 Fax 435-781-2518

ELLS GAS FIELD

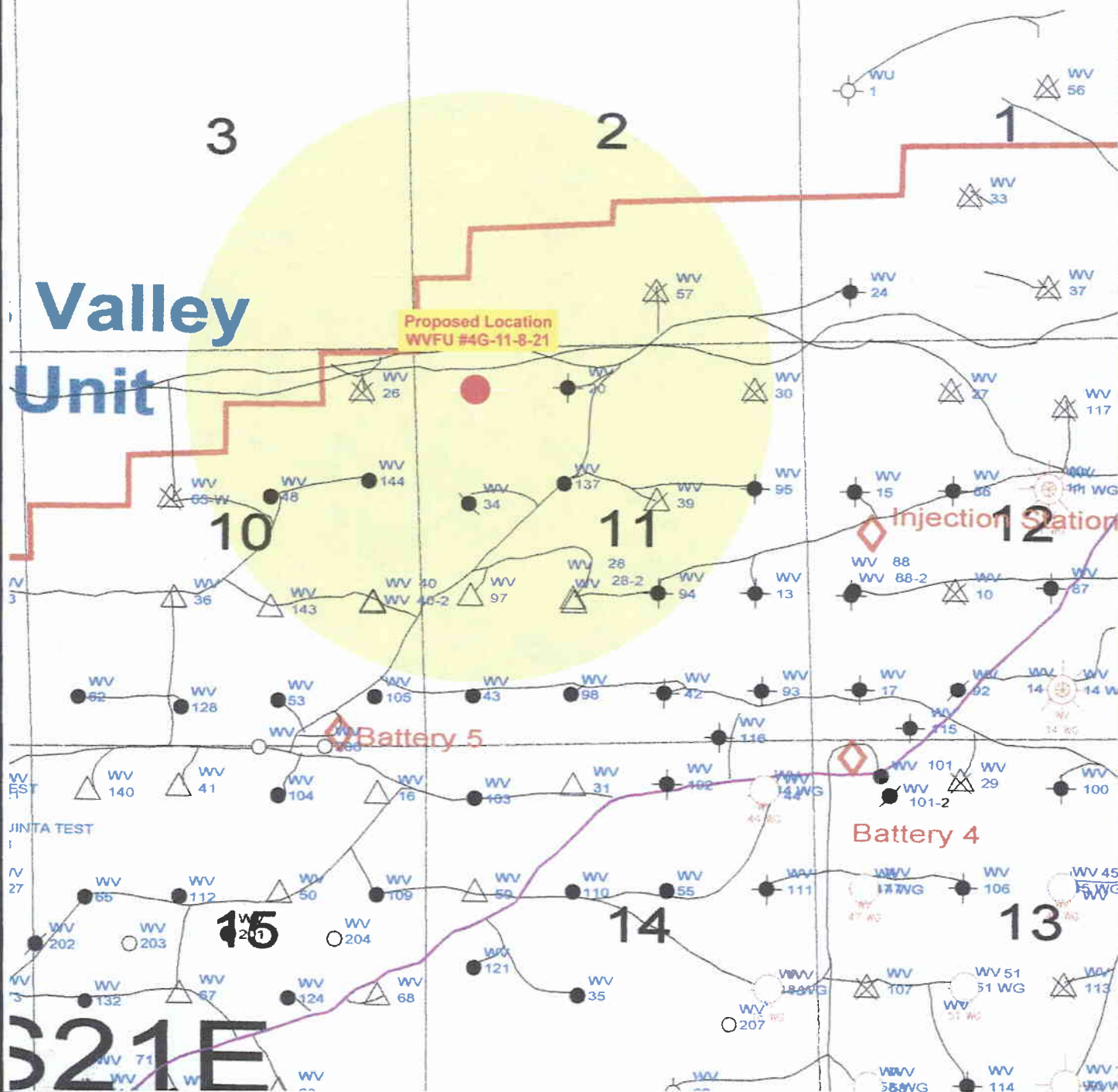


SHENANDOAH ENERGY INC.

WVFU #4G-11-8-21
SEC. 11, T8S, R21E, SLB&M
TOPOGRAPHIC MAP "B"



| | |
|--|-----------|
| Drawn By: SS | Revision: |
| Scale: 1" = 1000' | File: |
| Date: 8-14-00 | |
| Tri-State Land Surveying Inc. P.O. Box 533, Vernal, UT 84078 435-781-2501 Fax 435-781-2518 | |



SHENANDOAH ENERGY INC.

WVFU #4G-11-8-21

SEC. 11, T8S, R21E, S.L.B.&M.

TOPOGRAPHIC MAP "C"



Drawn By: SS

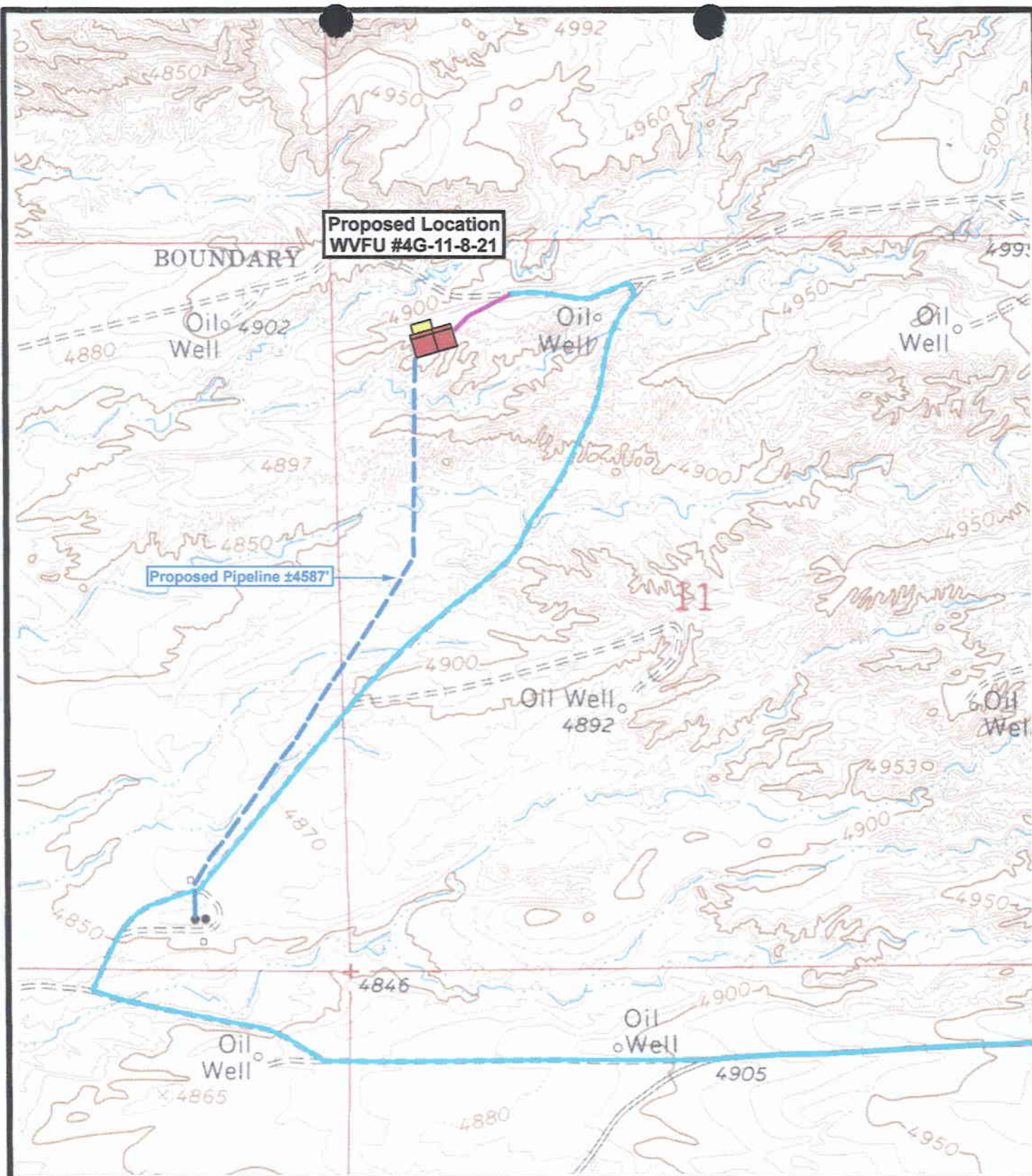
Revision:

Scale: 1" = 2000'

File:

Date: 8-7-00

Tri-State Land Surveying Inc.
P.O. Box 533, Vernal, UT 84078
435-781-2501 Fax 435-781-2518



SHENANDOAH ENERGY INC.

WVFU #4G-11-8-21
SEC. 11, T8S, R21E, SLB&M
TOPOGRAPHIC MAP "D"



Drawn By: SS

Revision:

Scale: 1" = 1000'

File:

Date: 8-14-00

Tri-State Land Surveying Inc.
P.O. Box 533, Vernal, UT 84078
435-781-2501 Fax 435-781-2518

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/25/2000

API NO. ASSIGNED: 43-047-33658

WELL NAME: WVFU 4G-11-8-21

OPERATOR: SHENANDOAH ENERGY INC (N4235)

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

NWNW 11 080S 210E

SURFACE: 0693 FNL 0705 FWL

BOTTOM: 0693 FNL 0705 FWL

UINTAH

WONSITS VALLEY (710)

LEASE TYPE: 1- Federal

LEASE NUMBER: U-0806

SURFACE OWNER: 2- Indian

PROPOSED FORMATION: GRRV

INSPECT LOCATN BY: / /

| Tech Review | Initials | Date |
|-------------|----------|------|
| Engineering | | |
| Geology | | |
| Surface | | |

RECEIVED AND/OR REVIEWED:

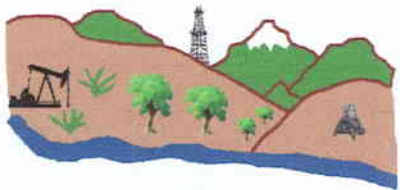
☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UT-0969)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190 - 5 (B)
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☒ R649-2-3. Unit Wonsits Valley
☒ R649-3-2. General
Siting: _____
☒ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 116-1 *Enh. Rec.
Eff Date: 7-20-65
Siting: *Not Specified / Gen. St.
☒ R649-3-11. Directional Drill

COMMENTS: WVFU SDP, separate file.

STIPULATIONS: ① FEDERAL APPROVAL



Utah Oil Gas and Mining

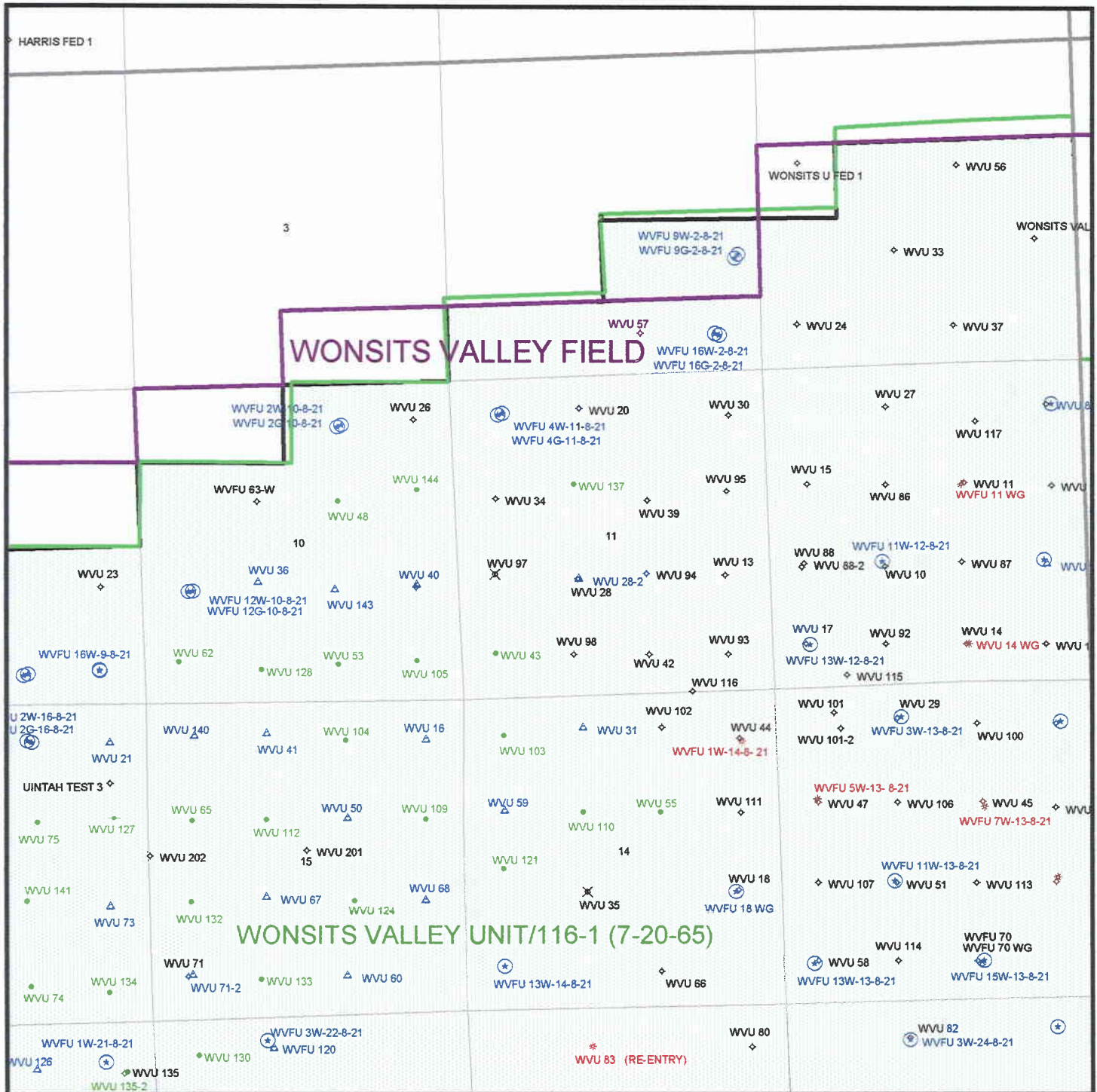
OPERATOR: SHENANDOAH ENERGY (N4235)

FIELD: WONSITS VALLEY (710)

SEC. 11, T8S, R21E,

COUNTY: UINTAH UNIT: WONSITS VALLEY

SPACING: R649-3-2



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 30, 2000

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2000 Plan of Development Wonsits Valley Unit,
Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2000 within the Wonsits Valley Unit, Uintah County, Utah.

| Api Number | Well | Location |
|------------|------|----------|
|------------|------|----------|

(Proposed Wasatch Completion's)

| | | |
|--------------|------------------|--------------------------------------|
| 43-047-33655 | WVFU 2W-10-8-21 | Sec. 10, T8S, R21E 0725 FNL 2006 FEL |
| 43-047-33657 | WVFU 4W-11-8-21 | Sec. 11, T8S, R21E 0672 FNL 0776 FWL |
| 43-047-33659 | WVFU 12W-10-8-21 | Sec. 10, T8S, R21E 1815 FSL 0812 FWL |
| 43-047-33661 | WVFU 15W-9-8-21 | Sec. 09, T8S, R21E 0482 FSL 1969 FEL |

(Proposed Green River Completion's)

| | | |
|--------------|------------------|--------------------------------------|
| 43-047-33656 | WVFU 2G-10-8-21 | Sec. 10, T8S, R21E 0688 FNL 1940 FEL |
| 43-047-33658 | WVFU 4G-11-8-21 | Sec. 11, T8S, R21E 0693 FNL 0705 FWL |
| 43-047-33660 | WVFU 12G-10-8-21 | Sec. 10, T8S, R21E 1820 FSL 0888 FWL |
| 43-047-33662 | WVFU 15G-9-8-21 | Sec. 09, T8S, R21E 0503 FSL 1897 FEL |

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Wonsits Valley Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-30-0



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 31, 2000

Shenandoah Energy Inc.
11002 E 17500 S
Vernal UT 84078

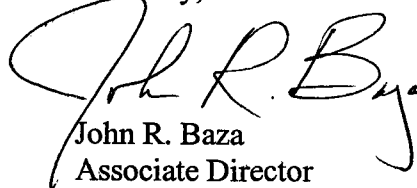
Re: Wonsits Valley Federal Unit 4G-11-8-21 Well, 693' FNL, 705' FWL, NW NW, Sec. 11,
T. 8 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33658.

Sincerely,


John R. Baza
Associate Director

er

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Shenandoah Energy Inc.
Well Name & Number Wonsits Valley Federal Unit 4G-11-8-21
API Number: 43-047-33658
Lease: U-0806

Location: NW NW **Sec.** 11 **T.** 8 South **R.** 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Gas

☐ Well ☐ Well ☒ Other

2. Name of Operator

SHENANDOAH ENERGY INC.

3. Address and Telephone No.

11002 E. 17500 S. VERNAL, UT 84078-8526

(801) 781-4300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

8. Well Name and No.

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH, UTAH

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Abandonment



Change of Plans



Subsequent Report



Recompletion



New Construction



Plugging Back



Non-Routine Fracturing



Final Abandonment Notice



Casing Repair



Water Shut-Off



Altering Casing



Conversion to Injection



Other **Confidential**



Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Shenandoah Energy Inc. would like to have the attached wells be kept confidential.

RECEIVED

OCT 11 2000

**DIVISION OF
OIL, GAS AND MINING**

14. I hereby certify that the foregoing is true and correct.

Signed **JOHN BUSCH**

John Busch

Title **Operations Supervisor**

Date **10/9/00**

(This space for Federal or State office use)

Approved by:

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See instruction on Reverse Side**

WELL NAME WELL LOCATION 1/4 1/4 SEC. SECTION TOWNSHIP RANGE API#

| | | | | | | |
|----------------|-------------|-------|----|----|-----|--------------|
| Red Wash | 2220B** | SE NW | 20 | 7S | 23E | 43-047-33491 |
| Red Wash | 4220B* | SE NE | 20 | 7S | 23E | 43-047-33490 |
| Red Wash | 1320B* | NW SW | 20 | 7S | 23E | 43-047-33498 |
| Red Wash | 3320B++ | NW SE | 20 | 7S | 23E | 43-047-33500 |
| Red Wash | 2221B | SE NW | 21 | 7S | 23E | 43-047-33522 |
| Red Wash | 2419B | SE SW | 19 | 7S | 23E | 43-047-33492 |
| Red Wash | 4419B | SE SE | 19 | 7S | 23E | 43-047-33524 |
| Wonsits Valley | 6W-16-8-21 | SE NW | 16 | 8S | 21E | 43-047-33527 |
| Gypsum Hills | 10W-19-8-21 | NW SE | 19 | 8S | 21E | 43-047-33528 |
| Wonsits Valley | 16W-9-8-21 | SE SE | 9 | 8S | 21E | 43-047-33529 |
| Wonsits Valley | 6G-16-8-21 | SE NW | 16 | 8S | 21E | 43-047-33564 |
| Gypsum Hills | 10G-19-8-21 | NW SE | 19 | 8S | 21E | 43-047-33566 |
| Wonsits Valley | 16G-9-8-21 | SE SE | 9 | 8S | 21E | 43-047-33565 |
| Red Wash | 2420B | SE SW | 20 | 7S | 23E | 43-047-33523 |
| Red Wash | 1319B | NW SW | 19 | 7S | 23E | 43-047-33497 |
| Red Wash | 3319B | NW SE | 19 | 7S | 23E | 43-047-33499 |
| Red Wash | 4420B | SE SE | 20 | 7S | 23E | 43-047-33525 |
| Red Wash | 4219B | SE NE | 19 | 7S | 23E | 43-047-33556 |
| Red Wash | 2219B | SE NW | 19 | 7S | 23E | 43-047-33559 |
| Red Wash | 4224A | NE SE | 24 | 7S | 22E | 43-047-33569 |
| Red Wash | 3424A | SW SE | 24 | 7S | 22E | 43-047-33567 |
| Red Wash | 2324A | NE SW | 24 | 7S | 22E | 43-047-33568 |
| Red Wash | 2125A | NE NW | 25 | 7S | 22E | 43-047-33576 |
| Red Wash | 4125A | NE NE | 25 | 7S | 22E | 43-047-33579 |
| Red Wash | 1119B | NW NW | 19 | 7S | 23E | 43-047-33552 |
| Red Wash | 3119B | NW NE | 19 | 7S | 23E | 43-047-33555 |
| Red Wash | 1120B | NW NW | 20 | 7S | 23E | 43-047-33553 |
| Red Wash | 2418B | SE SW | 18 | 7S | 23E | 43-047-33554 |
| Red Wash | 3413A | SW SE | 13 | 7S | 22E | 43-047-33593 |
| Red Wash | 2124A | NE NW | 24 | 7S | 22E | 43-047-33592 |
| Red Wash | 1224A | SW NW | 24 | 7S | 22E | 43-047-33591 |
| Red Wash | 1125A | NW NW | 25 | 7S | 22E | 43-047-33574 |
| Red Wash | 1325A | NW SW | 25 | 7S | 22E | 43-047-33575 |
| Red Wash | 3125A | NW NE | 25 | 7S | 22E | 43-047-33577 |
| Red Wash | 3325A | NW SE | 25 | 7S | 22E | 43-047-33578 |
| Red Wash | 4225A | SE NE | 25 | 7S | 22E | 43-047-33580 |
| Red Wash | 4418B | SE SE | 18 | 7S | 23E | 43-047-33594 |
| Red Wash | 1129B | NW NW | 29 | 7S | 23E | 43-047-33590 |
| Wonsits Valley | 9G-2-8-21 | NE SE | 2 | 8S | 21E | 43-047-33647 |
| Wonsits Valley | 9W-2-8-21 | NE SE | 2 | 8S | 21E | 43-047-33648 |
| Wonsits Valley | 16G-2-8-21 | SE SE | 2 | 8S | 21E | 43-047-33646 |
| Wonsits Valley | 16W-2-8-21 | SE SE | 2 | 8S | 21E | 43-047-33645 |
| Wonsits Valley | 15W-9-8-21 | SW SE | 9 | 8S | 21E | 43-047-33661 |
| Wonsits Valley | 15G-9-8-21 | SW SE | 9 | 8S | 21E | 43-047-33662 |
| Wonsits Valley | 2W-10-8-21 | NW NE | 10 | 8S | 21E | 43-047-33655 |
| Wonsits Valley | 2G-10-8-21 | NW NE | 10 | 8S | 21E | 43-047-33656 |
| Wonsits Valley | 12W-10-8-21 | NW SW | 10 | 8S | 21E | 43-047-33659 |

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DIVISION OF
OIL, GAS AND MINING

| | | | | | | |
|----------------|----------------|-------|----|----|-----|--------------|
| Wonsits Valley | 12G-10-8-21 | NW SW | 10 | 8S | 21E | 43-047-33660 |
| Wonsits Valley | 4W-11-8-21 | NW NW | 11 | 8S | 21E | 43-047-33657 |
| Wonsits Valley | 4G-11-8-21 | NW NW | 11 | 8S | 21E | 43-047-33658 |
| Wonsits Valley | 2W-16-8-21 | NW NE | 16 | 8S | 21E | 43-047-33246 |
| Wonsits Valley | 2G-16-8-21 | NW NE | 16 | 8S | 21E | 43-047-33247 |
| Wonsits Valley | 12W-16-8-21 | NW SW | 16 | 8S | 21E | 43-047-33649 |
| Wonsit Valley | 12G-16-8-21 | NW SW | 16 | 8S | 21E | 43-047-33650 |
| Red Wash | 33U-19B | NW SE | 19 | 7S | 23E | 43-047-33654 |
| Red Wash | 14-27A | SWSW | 27 | 7S | 22E | 43-047-33150 |
| Wonsits Valley | WV 1W-18-8-22 | NE NE | 18 | 8S | 22E | 43-047-33294 |
| Wonsits Valley | WV 11W-8-8-22 | NE SW | 8 | 8S | 22E | 43-047-33295 |
| Wonsits Valley | WV 5W-13-8-21 | SW NW | 13 | 8S | 21E | 43-047-33221 |
| Wonsits Valley | WV 9W-13-8-21 | NE SE | 13 | 8S | 22E | 43-047-33223 |
| Wonsits Valley | WV 7W-13-8-21 | SW NE | 13 | 8S | 22E | 43-047-33270 |
| Wonsits Valley | WV 3W-8-8-22 | NE NW | 8 | 8S | 22E | 43-047-33493 |
| Wonsits Valley | WV 5W-7-8-22 | SW NW | 7 | 8S | 22E | 43-047-33494 |
| Wonsits Valley | WV 1W-14-8-21 | NE NE | 14 | 8S | 21E | 43-047-33220 |
| Wonsits Valley | WV 11W-7-8-22 | NE SW | 7 | 8S | 22E | 43-047-33495 |
| Wonsits Valley | WV 13W-7-8-22 | SW SW | 7 | 8S | 22E | 43-047-33496 |
| Wonsits Valley | WV 7W-7-8-22 | SW NE | 7 | 8S | 22E | 43-047-33503 |
| Wonsits Valley | WV 9W-12-8-21 | NE SE | 12 | 8S | 21E | 43-047-33534 |
| Wonsits Valley | WV 3W-7-8-22 | NE NW | 7 | 8S | 22E | 43-047-33502 |
| Wonsits Valley | WV 1W-13-8-21 | NE NE | 13 | 8S | 21E | 43-047-33532 |
| Wonsits Valley | WV 11W-12-8-21 | NE SW | 12 | 8S | 21E | 43-047-33535 |
| Wonsits Valley | WV 1W-7-8-22 | NE NE | 7 | 8S | 22E | 43-047-33501 |
| Wonsits Valley | WV 1W-12-8-21 | NE NE | 12 | 8S | 21E | 43-047-33531 |
| Wonsits Valley | Fed 9W-8-8-22 | NE SE | 8 | 8S | 22E | 43-047-33515 |
| Wonsits Valley | WV 13W-12-8-21 | SW SW | 12 | 8S | 21E | 43-047-33537 |
| Wonsits Valley | WV 3W-18-8-22 | NE NW | 18 | 8S | 22E | 43-047-33533 |
| Wonsits Valley | WV 11W-13-8-21 | NE SW | 13 | 8S | 21E | 43-047-33536 |
| Wonsits Valley | Fed 15W-8-8-22 | SW SE | 8 | 8S | 22E | 43-047-33517 |
| Gypsum Hills | GH 1W-32-8-21 | NE NE | 32 | 8S | 21E | 43-047-33570 |
| Gypsum Hills | GH 7W-32-8-21 | SW NE | 32 | 8S | 21E | 43-047-33573 |
| Wonsits Valley | WV 3W-24-8-21 | NE NW | 24 | 8S | 21E | 43-047-33605 |
| Gypsum Hills | GH 5W-32-8-21 | SW NW | 32 | 8S | 21E | 43-047-33572 |
| Gypsum Hills | GH 3W-32-8-21 | NE NW | 32 | 8S | 21E | 43-047-33571 |
| Wonsits Valley | WV 13W-18-8-22 | SW SW | 18 | 8S | 22E | 43-047-33538 |
| Wonsits Valley | WV 15W-13-8-21 | SW SE | 13 | 8S | 21E | 43-047-33608 |
| Wonsits Valley | WV 3W-13-8-21 | NE NW | 13 | 8S | 21E | 43-047-33603 |
| Wonsits Valley | WV 13W-13-8-21 | SW SW | 13 | 8S | 21E | 43-047-33606 |
| Wonsits Valley | WV 1W-21-8-21 | NE NE | 21 | 8S | 21E | 43-047-33602 |
| Wonsits Valley | WV 9W-14-8-21 | NE SE | 14 | 8S | 21E | 43-047-33269 |
| Glen Bench | GB 5W-17-8-22 | SW NW | 17 | 8S | 22E | 43-047-33514 |
| Wonsits Valley | WV 1W-24-8-21 | NE NE | 24 | 8S | 21E | 43-047-33613 |
| Wonsits Valley | WV 3W-22-8-21 | NE NW | 22 | 8S | 21E | 43-047-33604 |
| Glen Bench | GB 9W-18-8-22 | NE SE | 18 | 8S | 22E | 43-047-33516 |
| Wonsits Valley | WV 13W-14-8-21 | SW SW | 14 | 8S | 21E | 43-047-33607 |
| Glen Bench | GB 3W-17-8-22 | NE NW | 17 | 8S | 22E | 43-047-33513 |
| Wonsits Valley | WV 11W-18-8-22 | NE SW | 18 | 8S | 22E | 43-047-33626 |

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OIL, GAS AND MINING

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|-------------|----------------|-------|----|----|-----|--------------|
| Glen Bench | GB 3W-22-8-22 | NE NW | 22 | 8S | 22E | 43-047-33652 |
| Glen Bench | GB 12W-30-8-22 | NW SW | 30 | 8S | 22E | 43-047-33670 |
| White River | WR 13W-3-8-22 | SW SW | 3 | 8S | 22E | 43-047-33651 |

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OCT 11 2000

DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OBM NO. 1004-0136
Expires: February 28, 1995

RECEIVED

AUG 23 2000

| APPLICATION FOR PERMIT TO DRILL OR DEEPEN | | |
|---|---------|--|
| 1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> | | |
| b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | |
| 2. NAME OF OPERATOR Shenandoah Energy Inc. | | |
| 3. ADDRESS AND TELEPHONE NO. Phone: 435-781-4341 11002 East 17500 South Fax: 435-781-4329 Vernal, Utah 84078 | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 705' FWL, 693' FNL, NWNW At proposed prod. Zone Same | | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 11 miles West of Redwash Utah | | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. Unit line if any) | 693' ± | 16. NO. OF ACRES IN LEASE 2480 |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. | 1800' ± | 19. PROPOSED DEPTH 5800' |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4907.5' GR | | 20. ROTARY OR CABLE TOOLS Rotary |
| 23. PROPOSED CASING AND CEMENTING PROGRAM REFER TO S.O.P. | | 22. APPROX. DATE WORK WILL START* A.S.A.P |

Shenandoah Energy Inc. proposes to drill a well to 5800' to test the Green River. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Operations will be according to the Standard Operating Procedures for the Wonsits Valley Unit.

See Onshore Order No. 1 attached.

Please be advised that Shenandoah Energy Inc. is considered to be the operator of the above mentioned well. Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. 0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program if any.

24

SIGNED John Busch John Busch TITLE Red Wash Operations Representative DATE 8/15/00

(This space for Federal or State office use)

PERMIT NO. _____

APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE Assistant Field Manager Mineral Resources DATE 12/12/00

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL ATTACHED

00P50681A

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DEC 18 2000

DIVISION OF
OIL, GAS AND MINING

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Shenandoah Energy Inc.

Well Name & Number: WVFU #4G-11-8-21

API Number: 43-047-33658

Lease Number: U - 0806

Location: NWNW Sec. 11 T. 8S R. 21E

Agreement: Wonsits Valley Federal Unit

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DIVISION OF
OIL, GAS AND MINING

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water, identified at \pm 992 ft.

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OIL, GAS AND MINING

SURFACE CONDITIONS OF APPROVAL

Thirty foot corridor rights-of-way shall be granted. When each pipeline has been constructed and completed as built descriptions will be filed with the Ute Tribal Energy and Minerals Department.

Thirty foot rights-of-ways shall be granted for the access road. The constructed travel width shall be limited to 18 feet except in cases of sharp curves, deep cuts or where road intersections occur.

Where pipelines do not follow roads the pipeline right of way will not be used as a roadway.

A Tribal Technician will be notified upon construction of reserve pits and when the reserve pit is to be backfilled. Cuttings will be removed and disposed of at approved sites.

The Ute Tribe Energy and Mineral Department is to be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office days are Monday through Thursday. A Tribal Technician is to routinely monitor construction. For all monitoring that is to exceed Tribal Technician regular working hours, Shenandoah Energy shall make arrangements with the Ute Energy and Minerals Department.

Shenandoah will assure the Ute Tribe that any/all contractors and subcontractors have acquired a 2000 Tribal Business License and have "Year 2000 Access Permits" prior to construction. Contractors and subcontractors will have these permits in vehicles at all times.

All Shenandoah Employees and/or authorized personnel (subcontractors) in the field will have approved applicable APDs and/or ROW permits/authorizations on their person(s) during all phases of construction.

For any deviations of submitted APD's and ROW applications, Shenandoah will notify the Ute Tribe and Bureau of Indian Affairs in writing and will receive written authorization of such changes. Without authorization, Shenandoah understands they will be subject to fines and penalties.

Shenandoah will implement the "Safety and Emergency Plan". Shenandoah will ensure its compliance.

All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined and approved, and to the existing roadways and/or evaluated access routes.

All personnel shall refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.

The personnel from the Ute Tribe Energy & Mineral Department shall be consulted if cultural remains (including paleontology fossils) from subsurface deposits are exposed or identified during construction. All construction will cease. Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from the BIA and the Ute Tribal Department of Cultural Rights and Protection.

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DIVISION OF
OIL, GAS AND MINING

Upon completion of construction of the rights-of-way, Shenandoah will notify the Ute Tribe Energy & Minerals Resources Department. This will be done so that a Tribal Technician can verify Affidavit of Completions.

Before the site is abandoned, the company will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

Soil erosion will be mitigated by reseeding all disturbed areas.

Reserve pits will be lined with impervious synthetic liners. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the pits are backfilled, the surplus oil and mud etc. will be buried a minimum depth of 3.0 feet below the surface of the soil.

A closed production system will be used. Production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites. Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. The indiscriminate dumping of production fluids and other oil field by-products on roads, wellsites or other areas will not be allowed.

A 30 foot wide corridor right-of-way will be used for the access roads. The constructed travel width shall be limited to 18 feet, except it may be wider where sharp curves, deep cuts and fills occur, or intersections with other roads are required.

Surface pipelines will be constructed to lay on the soil surface, and the ROW for the pipeline will not be bladed or cleared of vegetation without site specific authorization from BIA.

Where surface pipelines do not parallel roads but cross country between stations. The line shall either be welded in place at a welding station located at the wellsite or on roads near the flowline right of way and then dragged into place with a suitable piece of equipment so it will not destroy the natural vegetation. If the flowline doesn't follow existing and APD proposed new access roads then traffic shall be restricted along pipeline ROWs so that they will not be used as an access road.

Buried flowlines shall be a minimum of three feet below the surface. After the construction of the pipeline is completed the disturbed area of the ROW shall be contoured to blend into the natural landscape, and it shall be reseeded with desirable vegetation. Between September 15 and November 1 of the year following pipeline construction of the buried line all disturbed areas shall be reseeded with perennial vegetation according to BIA, or to Ute Tribe specifications.

Shenandoah Energy employees, representatives, and subcontractors shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

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DIVISION OF
OIL, GAS AND MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|--|---|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. U-0806 |
| 2. Name of Operator SHENANDOAH ENERGY INC. | | 6. If Indian, Allottee or Tribe Name UTE TRIBE |
| Contact: RALEEN SEARLE E-Mail: rsearle@shenandoahenergy.com | | 7. If Unit or CA/Agreement, Name and/or No. WONSITS VALLEY |
| 3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078 | 3b. Phone No. (include area code) Ph: 435.781.4309 Fx: 435.781.4329 | 8. Well Name and No. Multiple--See Attached |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached | | 9. API Well No. Multiple--See Attached |
| | | 10. Field and Pool, or Exploratory WONSITS VALLEY |
| | | 11. County or Parish, and State UINTAH COUNTY, UT |

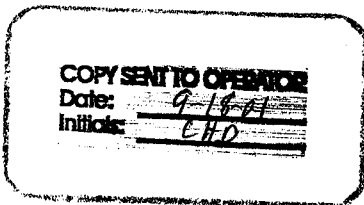
CONFIDENTIAL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Shenandoah Energy here by request an one year extension on the WV 4G-11-8-21 and WV 2G-10-8-21.



Approved by the
Utah Division of
Oil, Gas and Mining

Date: 09-17-01
By: [Signature]

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SEP 14 2001

DIVISION OF
OIL, GAS AND MINING

| | |
|---|-----------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #7170 verified by the BLM Well Information System For SHENANDOAH ENERGY INC., sent to the Vernal | |
| Name (Printed/Typed) RALEEN SEARLE | Title PREPARER |
| Signature [Signature] | Date 09/12/2001 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-------------|--------------|
| Approved By _____ | Title _____ | Date _____ |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | Office _____ |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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Additional data for EC transaction #7170 that would not fit on the form

Wells/Facilities, continued

| Agreement | Lease |
|-----------------------|--------------|
| WONSITS VALLEY U-0806 | |
| WONSITS VALLEY U-0806 | |

| Well/Fac Name, Number |
|------------------------------|
| WONSITS VALLEY 4G-11-8-21 |
| WONSITS VALLEY 2G-10-8-21 |

| API Number |
|-------------------|
| 43-047-33658 |
| 43-047-33656 |

| Location |
|---|
| Sec 11 T8S R21E Mer NWNW 693FNL 705FWL |
| Sec 10 T8S R21E Mer NWNE 688FNL 1940FEL |

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

| | | |
|--|--|---|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. U-0806 |
| 2. Name of Operator SHENANDOAH ENERGY INC. | | 6. If Indian, Allottee or Tribe Name UTE TRIBE |
| 3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078 | | 7. If Unit or CA/Agreement, Name and/or No. WONSITS VALLEY |
| 3b. Phone No. (include area code) Ph: 435.781.4309 Ex: 435.781.4329 | | 8. Well Name and No. Multiple--See Attached |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached | | 9. API Well No. Multiple--See Attached |
| 10. Field and Pool, or Exploratory WONSITS VALLEY | | 11. County or Parish, and State UINTAH COUNTY, UT |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Shenandoah Energy here by request an one year extension on the WV 4G-11-8-21 and WV 2G-10-8-21.

RECEIVED

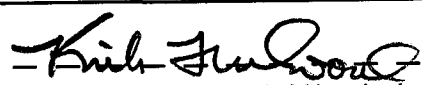
OCT 17 2001

DIVISION OF
OIL, GAS AND MINING

CONDITIONS OF APPROVAL ATTACHED

| | |
|---|-----------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #7170 verified by the BLM Well Information System For SHENANDOAH ENERGY INC., sent to the Vernal Committed to AFMSS for processing by LESLIE CRINKLAW on 09/21/2001 () | |
| Name (Printed/Typed) RALEEN SEARLE | Title PREPARER |
| Signature | Date 09/12/2001 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---------------------------------|---------------------|
| Approved By  | Title Petroleum Engineer | Date 10/4/01 |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | | |
| Office | | |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

006m

Additional data for EC transaction #7170 that would not fit on the form

Wells/Facilities, continued

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|-----------------------|--------------|------------------------------|-------------------|---|
| WONSITS VALLEY U-0806 | | WONSITS VALLEY 4G-11-8-21 | 43-047-33658 | Sec 11 T8S R21E Mer NWNW 693FNL 705FWL |
| WONSITS VALLEY U-0806 | | WONSITS VALLEY 2G-10-8-21 | 43-047-33656 | Sec 10 T8S R21E Mer NWNE 688FNL 1940FEL |

Standard Energy
APD Extension

Well: Wonsits Valley 4G-11-8-21

Location: NWNW Sec. 11, T8S, R21E

Lease: UTU 0806

CONDITIONS OF APPROVAL

An extension for the referenced APD is granted with the following conditions:

1. The extension will expire 12/12/02
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood of this office at (435) 781-4486

Sherrill County
APD Extension

Well: Wonsits Valley 2G-10-8-21

Location: NWNE Sec. 10, T8S, R21E

Lease: UTU 0806

CONDITIONS OF APPROVAL

An extension for the referenced APD is granted with the following conditions:

1. The extension will expire 12/07/02
2. No other extensions beyond that time frame will be granted or allowed.

If you have any other questions concerning this matter, please contact Kirk Fleetwood of this office at (435) 781-4486



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 telephone

(801) 359-3940 fax

(801) 538-7223 TTY

www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

October 8, 2002

Raleen Searle
Shenandoah Energy Inc.
11002 East 17500 South
Vernal, UT 84078

Re: APD Rescinded – WVFU 4G-11-8-21, Sec.11 T.8S, R.21E – Uintah County,
Utah, API No. 43-047-33658

Dear Ms. Searle:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining on August 31, 2000. On September 17, 2001, the Division granted a one-year APD extension. On October 8, 2002, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 8, 2002.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.5. Lease Serial No.
UTU0806

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
UTU6304308. Well Name and No.
WVFU 4G-11-8-219. API Well No.
43-047-33658-00-X110. Field and Pool, or Exploratory
WONSITS VALLEY11. County or Parish, and State
UINTAH COUNTY, UT**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

SHENANDOAH ENERGY INC

Contact:

RALEEN SEARLE

E-Mail: raleen.searle@questar.com

3a. Address

11002 EAST 17500 SOUTH
VERNAL, UT 84078-8526

3b. Phone No. (include area code)

Ph: 435.781.4309

Fx: 435.781.4329

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 11 T8S R21E NWNW 693FNL 705FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Shenandoah Energy Inc. hereby requests to rescind the APD for the WVFU 4G-11-8-21.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #15485 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 11/01/2002 (03LW0222SE)**

Name (Printed/Typed) RALEEN SEARLE

Title REGULATORY AFFAIRS ANALYST

Signature (Electronic Submission)

Date 10/24/2002

THIS SPACE FOR FEDERAL OR STATE OFFICE USEApproved By KIRK FLEETWOODTitle PETROLEUM ENGINEERDate 12/09/2002

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Vernal

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #15485

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|---|--|
| Sundry Type: | OTHER NOI | OTHER NOI |
| Lease: | UTU-0806 | UTU0806 |
| Agreement: | WONSITS VALLEY | UTU63043O |
| Operator: | SHENANDOAH ENERGY INC. 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435.781.4309 Fx: 435.781.4323 | SHENANDOAH ENERGY INC 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4300 Fx: 435.781.4329 |
| Admin Contact: | RALEEN SEARLE REGULATORY AFFAIRS ANALYST E-Mail: rsearle@shenandoahenergy.com Ph: 435.781.4309 Fx: 435.781.4329 | RALEEN SEARLE REGULATORY AFFAIRS ANALYST E-Mail: raleen.searle@questar.com Ph: 435.781.4309 Fx: 435.781.4329 |
| Tech Contact: | | |
| Location: | | |
| State: | UT | UT |
| County: | UINTAH | UINTAH |
| Field/Pool: | WONSITS VALLEY | WONSITS VALLEY |
| Well/Facility: | WONSITS VALLEY 4G-11-8-21 Sec 11 T8S R21E NWNW 693FNL 705FWL | WVFU 4G-11-8-21 Sec 11 T8S R21E NWNW 693FNL 705FWL |



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, Utah 84078-2799

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3160

UT08300

December 9, 2002

Raleen Searle
Shenandoah Energy Inc.
11002 East 175000 South
Vernal, Utah 84078

Re: Well No. Wonsits Valley 4G-11-8-21
NWNW, Sec. 11, T8S, R21E
Uintah County, Utah
Lease No. U-0806
Wonsits Valley Unit

Dear Raleen:

The Application for Permit to Drill (APD) the above referenced well has been cancelled as per your sundry of October 24, 2002. If you intend to drill at this location at a future date, a new APD must be submitted.

No drilling activity at this location has been reported to this office. Therefore, approval to drill the well is hereby rescinded, effective October 24, 2002.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

Leslie Walker
Legal Instruments Examiner

cc: UDOGM – Diana Mason

RECEIVED

DEC 23 2002

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

| | | | | | | | |
|---|--|--|--|---|--|--|--|
| APPLICATION FOR PERMIT TO DRILL | | | | 5. MINERAL LEASE NO: ST-UT-37067 | | 6. SURFACE: State | |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | | | | | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> | | | | | | 8. UNIT or CA AGREEMENT NAME: Middle Mesa Unit | |
| 2. NAME OF OPERATOR: EnCana Oil & Gas (USA) Inc. | | | | | | 9. WELL NAME and NUMBER: Middle Mesa State 36-12-29-24 | |
| 3. ADDRESS OF OPERATOR: 370 17th Street CITY Denver STATE CO ZIP 80202 | | | | PHONE NUMBER: (720) 876-5339 | | 10. FIELD AND POOL, OR WILDCAT: Wildcat Undesignated | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1097' FNL & 2216' FWL <i>655078X 38.241836</i> AT PROPOSED PRODUCING ZONE: 1097' FNL & 2216' FWL <i>4233926Y - 109.227963</i> | | | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 36 29S 24E S | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 7 miles southeast of La Sal, UT | | | | | | 12. COUNTY: San Juan | |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1097' | | 16. NUMBER OF ACRES IN LEASE: 640 | | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 | | | |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 2468' | | 19. PROPOSED DEPTH: 5,750 | | 20. BOND DESCRIPTION: RLB0001191 | | | |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6845.2' | | 22. APPROXIMATE DATE WORK WILL START: 3/1/2007 | | 23. ESTIMATED DURATION: 15 Days | | | |

| 24. PROPOSED CASING AND CEMENTING PROGRAM | | | | | | | |
|---|---|------|-------|---------------|---|--------------------|-------|
| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | | | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT | | |
| 12 1/4 | 9 5/8 | J-55 | 36# | 600 | Class G + 2% gel | 200sx 2.09 cuft/sx | 12.5# |
| 8 3/4 | 5 1/2 | J-55 | 15.5# | 5,739 | 50/50 poz: Class G | 600sx 1.43 cuft/sx | 13# |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

| | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Jevin Croteau TITLE Regulatory Analyst

SIGNATURE  DATE 1/18/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-037-31855

APPROVAL:

RECEIVED
JAN 19 2007
DIV. OF OIL, GAS & MINING